BEFORE THE VIRGINIA GAS AND OIL BOARD

	ITABLE RESOURCES LORATION	DIVISION OF GAS AND OIL DOCKET NO.
RELIEF SOUGHT:	EXCEPTION TO STATEWIDE SPACING	VGOB-92/03/17-199
LEGAL DESCRIPTI	ON:	
	NO. T-756	

REPORT OF THE BOARD

FINDINGS AND ORDER

- 1. Hearing Date and Place: This cause came on for hearing before the Virginia Gas and Oil Board (hereinafter "Board") at 9:00 a.m. on March, 17, 1992, at the Virginia 4-H Center, Abingdon, Virginia.
- 2. Appearances: Richard A. Counts, Attorney, appeared for the Applicant, and Sandra B. Riggs, Assistant Attorney General, appeared for the Board.
- 3. Notice and Jurisdiction: The Board finds that it has jurisdiction over the subject matter. The Board also finds that the applicant has exercised due diligence to locate and provide notice to all persons/companies entitled to notice of this proceeding.
- 4. Relief Requested: Applicant requests an exception to statewide spacing requirements set forth in Section 45.1-361.17 of the Code of Virginia for Well Number VP-2340. The Applicant requests the Board's consent to drill Well Number VP-2340 closer than 2640 feet to Well Number 133762.
 - 5. Amendment: None.
- 6. Reasons Relief Should be Granted: Evidence presented on behalf of the Applicant shows, and the Board finds, that based on the deposition of the common sources of supply anticipated between

surface and total depth projected to be drilled, the proposed location exception represents the optimum location to recover commercially productive hydrocarbons underlying the drilling and spacing unit.

A qualified landman testified that the location exception was necessary to comply with an Environmental Impact Statement and Environmental Assessment conducted upon United States Forest Service lands within the Jefferson National Forest. The landman also testified that the location exception was necessary due to environmental constraints, accommodation of other mineral interests and effective land management practices.

A qualified petroleum geologist testified that the granting of the location exception was in the best interest of preventing waste, protecting correlative rights and maximizing recovery of hydrocarbons underlying the drilling and spacing unit.

- 7. Relief Granted: The requested relief in this cause be and hereby is granted allowing the applicant to permit and drill Well Number VP-2340 within 2550.90 feet of Well Number 133762.
- 8. <u>Findings</u>: That the well location exception, in accordance with the foregoing, is necessary to prevent waste, protect correlative rights and to generally effect the purposes of the Virginia Gas and Oil Act.
- 9. Effective Date: This Order shall be effective on the date of its execution.
- 10. Done and executed this 2 day of 2, 1992, by a majority of the Virginia Gas and Oil Board.
- 11. Done and performed this 2 day of 2, 1992, by Order of this Board.

VIRGINIA GAS AND OIL BOARD

Chairman Benny R. Wampler

DONE AND PERFORMED
BY ORDER OF THE BOARD:
Be Ruf of l
Byron Thomas Fulmer
Principal Executive To The Staff
Virginia Gas and Oil Board
STATE OF VIRGINIA)
COUNTY OF WASHINGTON)
with Allan
Acknowledged on this / day of / / , 1992, personally before me a notary public in and for the Commonwealth of
Virginia, appeared Benny Wampler, being duly sworn did depose and
say that he is Chairman of the Virginia Gas and Oil Board, that he
executed the same and was authorized to do so.
1).
Name J. Mallis
Diane J. Davis
Notary Public My commission expires 9/23/92
STATE OF VIRGINIA)
COUNTY OF WASHINGTON)
nth m
Acknowledged on this day of / My , 1992,
personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler being duly sworn did depose and
say that he is Principal Executive to the staff of the Virginia Gas
and Oil Board, that he executed the same and was authorized to do
so.
11/2 / // // //
Diane G. Davis
Diane Davis / Notary Public
My commission expires 9/23/92
THIS ORDER PREPARED BY:
1.(////A
/ school of Cano
Wichard & Counts

[REGULAT\EREX\VP-2340.F&O]

